- following the word "installments" in the last line thereof and adding the following: "except when the assessment exceeds \$10.00, in which event the same shall be automatically waived and paid in three annual installments."
- SEC. 9. That section fifty-nine hundred seventy-four (5974) of the code of 1931, is amended by adding thereto as subsection 7, the following: "The word 'oil' shall include any asphaltic or bituminous liquids suitable for road building purposes and the word 'gravel' shall include gravel, crushed rock, cinders, shale or similar material suitable for road building purposes."

Senate File No. 190. Approved April 24, 1933.

CHAPTER 111

SEWAGE AND GARBAGE DISPOSAL PLANTS

S. F. 485

AN ACT to authorize cities and towns to construct, own, equip, operate, maintain and improve works for the collection and/or treatment, purification and disposal of sewage and garbage; to authorize charges against owners of premises for the use of such works, and to provide for the collection of the same; to authorize cities and towns to issue revenue bonds payable solely from the revenues of such works, as an emergency measure to be financed only through the reconstruction finance corporation.

Be it enacted by the General Assembly of the State of Iowa:

- SECTION 1. Cities and towns in the state of Iowa are hereby authorized and empowered to own, acquire, construct, equip, operate and maintain within and/or without the corporate limits of such city or town, a sewage treatment plant or plants, with all appurtenances necessary, useful and convenient for the collection, treatment, purification and disposal in a sanitary manner of the liquid and solid waste, sewage, and industrial waste of any such city or town, and shall have authority to acquire by gift, grant, purchase, or condemnation, or otherwise, all necessary lands, rights-of-way, and property therefor, within or 10 without the said city or town, and, as an emergency measure, to issue 11 revenue bonds to pay the costs of such improvement to be financed 12 only through the reconstruction finance corporation, as hereinafter 13 provided.
 - SEC. 2. The construction, acquisition, improvement, equipment, custody, operation and maintenance of any such works for the collection, treatment or disposal of sewage and the collection of revenues therefrom, for the service rendered thereby, shall be under the supervision and control of the city; the work of construction shall be done by hand labor insofar as is practicable.
 - SEC. 3. Chapter 23 of the code, except sections 363 to 367, inclusive, shall be applicable to contracts for the improvements herein provided for.
 - SEC. 4. Cities and towns may by ordinance provide a schedule of fees to be charged for the collection and disposal of garbage and may

3 pay the cost of construction, extending, repairing, maintaining and 4 operating garbage disposal plants and/or incinerating plants out of 5 the earnings of such plant; revenue bonds, payable solely and only 6 out of the earnings of such plant may be issued in the manner provided in this act.

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SEC. 5. Nothing in this act contained shall be so construed as to authorize or permit any city or town to make any contract or to incur any obligation of any kind or nature referred to in this act except such as shall be payable solely from the funds provided under this act. Cities and towns are authorized to borrow money from the reconstruction finance corporation, created by the "reconstruction finance corporation act", enacted by the congress of the United States for the purpose of constructing and operating the improvements referred to in this act. As evidence of such indebtedness, such city or town may issue its bonds payable solely and only from the revenues derived from such improvement. Such bonds may be issued in such amounts as may be necessary to provide sufficient funds to pay all the costs of construction and operation of such improvement, including engineering, legal and other expenses, together with interest to a date six months subsequent to the estimated date of completion. Bonds issued under the provisions of this act are declared to be negotiable instruments, shall be executed by the mayor and clerk of the municipality and shall be sealed with the corporate seal of the municipality. The principal and interest of said bonds shall be payable solely and only from the special fund herein provided for such payment, and said bonds shall not, in any respect, be a general obligation of such city or town, nor shall they be payable in any manner by taxation, nor shall the municipality be in any manner liable by reason of the earnings being insufficient to pay said bonds. All the details pertaining to the issuance of such bonds and the terms and conditions thereof, shall be determined by ordinance of the municipality.

SEC. 6. Before the issuance of any such bonds, the council of the municipality by ordinance shall pledge the net earnings of the works to the payment of said bonds and the interest thereon, and shall provide that the same shall be set apart as a sinking fund for that purpose.

SEC. 7. The city or town council shall have power by ordinance, to establish and maintain just and equitable rates or charges for the use of and the service rendered by such works, to be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses such works, by or through any part of the sewage system of the city or town, or that in any way uses or is served by such works, and may change and readjust such rates or charges from time to time. Such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair, replacements and maintenance of the works, and for the payment of the sums herein required to be paid into a sinking fund, which said fund shall be sufficient to meet the principal and interest and other charges of the bonded indebtedness provided for herein. All such rates or charges if not paid as by the ordinance

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Senate File No. 485. Approved April 24, 1933.

I hereby certify that the foregoing act was published in the Mapleton Press May 24, 1933, and the Eldora Herald-Ledger May 24, 1933.

MRS. ALEX MILLER, Secretary of State.

Note: Mapleton Press and Eldora Herald-Ledger selected in accordance with section fifty-five (55), code, 1931.

CHAPTER 112

MUNICIPAL HOSPITAL

S. F. 256

AN ACT to authorize any city of the second class having a population of five thousand (5,000) and not more than six thousand (6,000) to pledge, annually, certain portions of the net income of its municipally-owned electric light and power plant for the purpose of borrowing money with which to pay the cost of constructing a municipal hospital, and providing for a vote of the electors thereon.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Any city of the second class having a population of five thousand and not more than six thousand, owning and operating an electric light and power plant that is wholly paid for, and that is producing an annual income from the sale of electric current in excess of all expense of operation and reasonable depreciation charges against said plant, may, for the purpose of paying the cost of the construction of a municipal hospital, borrow money, and may, for the repayment of said loan and interest thereon, pledge for a period not exceeding fifteen (15) years, not to exceed fifty per cent (50%) of the net earnings each year of said plant.

In exercising the power herein conferred, the council may issue interest-bearing certificates of indebtedness which shall be payable solely from the earnings pledged, and the certificates shall so state; and said city may bind said city to maintain said plant and to charge and collect such rates for the products of said plant as will, under said pledge, discharge said loan as it matures.

SEC. 2. The power granted in section one (1) to issue certificates and to pledge said earnings for the payment thereof shall not be exercised unless a majority of the legal electors of the city voting thereon vote in favor of the exercise of such power. The council may, on its own motion, submit such question either at a general election or at a special election called for that purpose.

Upon the filing with the mayor of a petition requesting the submission of such question, signed by twenty-five (25) legal electors of each voting precinct in the city, the mayor shall submit such question at